



Department of Justice

FOR IMMEDIATE RELEASE
MONDAY, JUNE 10, 1996

AT
(202) 616-2771
TDD (202) 514-1888

**TWO FORMER SUPPLIERS OF DISPLAY MATERIALS TO PHILIP MORRIS
AND THEIR SALESWOMAN INDICTED IN BID RIGGING CONSPIRACY**

WASHINGTON, D.C. -- A New York City federal grand jury returned an indictment today against a New York saleswoman and two companies she represented for bid rigging in connection with the supply of advertising display materials to Philip Morris Inc., said the Department of Justice.

To date, the Department's ongoing antitrust investigation into bid rigging, commercial bribery and tax-related offenses in the display industry, has resulted in the prosecution of 11 individuals and four corporations.

The indictment, filed in U.S. District Court in New York City, charged Amy Winikoff of New York City, Winko New Jersey Inc., and Republic Container Corporation with participating in a bid-rigging conspiracy from as early as October 1987 and continuing until at least July 1991 involving contracts awarded by Philip Morris Inc. in New York City for the supply of display materials used to advertise and promote products in retail stores.

According to the indictment, Winko New Jersey Inc., originally known as Republic Container Corporation, sold display materials to Philip Morris through Winikoff, its saleswoman. Another company, renamed as Republic Container in January 1991,

continued those sales with Winikoff remaining as the saleswoman on the account.

The indictment charges that the defendants and others rigged the bids that Philip Morris received for contracts for display materials and made substantial payments of money to purchasing agents at Philip Morris for their assistance in controlling the company's program for seeking competitive bids for the contracts.

Anne K. Bingaman, Assistant Attorney General in charge of the Justice Department's Antitrust Division, said, "This indictment represents a continuation of the Division's efforts to clean up anticompetitive activity in the display materials business."

Last week, a federal grand jury returned an indictment against New York executive Dani Siegel, another former supplier to Philip Morris, and two of his New York companies, Visart Mounting & Finishing Corp. and Genetra Affiliates Inc.

Bingaman noted that Winikoff and the two companies indicted today supplied displays made of corrugated material and said that the only other suppliers of corrugated displays to Philip Morris between the mid-1980s and late 1991, Southern Container Corp. and Manufacturers Corrugated Box Co. Inc., and a salesman for Southern, had already been prosecuted.

Winko has its principal place of business in Englewood Cliffs, New Jersey. Republic has its principal place of business in Jersey City, New Jersey.

The Department's investigation is being handled by the Antitrust Division's New York Field Office with the assistance of

the Federal Bureau of Investigation and the Internal Revenue Service.

The maximum penalty for an individual convicted of a violation of the Sherman Act committed after November 16, 1990, is three years in prison and a fine not to exceed the greatest of \$350,000, twice the pecuniary gain the individual derived from the crime or twice the pecuniary loss caused to the victims of the crime.

The maximum penalty for a corporation convicted of a violation of the Sherman Act committed after November 16, 1990, is a fine not to exceed the greatest of \$10 million, twice the pecuniary gain the corporation derived from the crime or twice the pecuniary loss caused to the victims of the crime.

###

96-266